



**House
Legislative
Analysis
Section**

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CATASTROPHIC CLAIMS TASK FORCE

RECEIVED

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House Bill 5844

Sponsor: Rep. Joseph Palamara

Committee: Insurance

Mich. State Law Library

Complete to 8-31-90

A SUMMARY OF HOUSE BILL 5844 AS INTRODUCED 5-29-90

The bill would amend the Insurance Code to create a catastrophic claims task force within the Department of Licensing and Regulation to prepare a plan to reduce the costs associated with catastrophic claims. (Generally speaking, the term catastrophic claim refers to a personal injury claim under no-fault auto insurance of over \$250,000. Such claims are borne not by the individual insurer but by a special association made up of all auto insurers in the state.) The task force, which would have to report the plan to the legislature by January 1, 1991, would be made up of the board of directors of the catastrophic claims association and nine members appointed by the insurance commissioner, including three representatives of auto insurance companies, three providers of catastrophic health care, one representative of a health care facility where such care is provided, and two members of the general public with knowledge in the area of catastrophic care.

MCL 500.3104a

House Bill 5844 (8-31-90)